



South Florida Water Management District

Governing Board Audit and Finance Committee MEETING MINUTES

April 8, 2009

9:30 AM

St Cloud City Hall, Council Chambers
1300 Ninth Street
St Cloud, FL 34769

Members Present:

Eric Buermann

Michael Collins

Charles Dauray

1. Call meeting to Order - Charles Dauray, Chair

Chair Dauray called the meeting to order at 9:30 am.

Governing Board members Jerry Montgomery and Pat Rooney were present at the meeting.

2. Approval of Minutes

Approval of Minutes of the February 11, 2009, Audit & Finance Committee Meeting held in West Palm Beach, FL

Motion made by Eric Buermann, seconded by Michael Collins to approve the minutes of the Audit & Finance Committee meeting held on February 11, 2009. Vote called. Voting yes: Eric Buermann, Michael Collins and Charles Dauray. Motion passed.

3. Changes to Agenda - Annette Carter, Director, Office of Governing Board & Executive Services

Annette Carter, Director, Office of Governing Board & Executive Services announced there were no changes to the agenda.

4. FY08 Annual Audit Management Letter and Single Audit Discussion - Tony Brunson, Partner, Sharpton & Brunson, CPA's

Aaron Basinger, Director, Finance and Accounting Department, introduced Tony Brunson, Sharpton & Brunson.

Mr. Brunson reported on the FY08 annual audit performed on its financial statements to ensure they comply with generally accepted accounting principles. In addition, a separate audit is performed of Federal and State grant monies spent to ensure that the District is in compliance with all grant agreements, applicable laws, and regulations. Mr. Brunson also issued a Management Letter to inform the Governing Board and executive management of any significant issues identified during the audit.

There was Committee discussion on the State Board of Administration Local Government Surplus Funds Trust Fund Investment Pool and ratings of investment and debt.

Mr. Brunson also reported to the Committee that the District has again received an unqualified or clean audit opinion on the District's financial statements.

Also, Mr. Brunson reported no material weaknesses in the Districts system of internal financial controls and there were no matters of non-compliance with grant agreements, laws, or applicable regulations. Lastly, no disagreements were noted with management during the audit and no issues were identified that resulted in new comments in the auditors annual Management Letter.

Motion made by Michael Collins, seconded by Eric Buermann to accept the SFWMD's Annual Financial Audit for the Fiscal Year ending September 30, 2008. Vote called. Voting yes: Eric Buermann, Michael Collins and Charles Dauray. Motion passed.

5. Inspector General's Update - John Williams, Inspector General, and Tim Beirnes, Director, Auditing, Office of the Inspector General

A. Audit Recommendations - Follow-up Report

B. RFP for Annual Independent Financial Audits Update

Tim Beirnes, Director, Auditing Department, reported on requested modifications to the report format and they will be reflected in future reports.

John Williams, Inspector General, reported on the status of the competitive solicitation process for awarding the Districts next independent audit contract. The Districts current contract with Sharpton and Brunson expires this year and the District has issued a Request for Proposals for a new audit contract. After the RFPs are evaluated, a recommendation will be presented for approval to the Audit and Finance Committee and Governing Board in June.

It was also reported the Districts Office of Inspector General has won the Gold Knighton Award for the best performance audit report issued in 2008 by a small audit shop.

6. 'River of Grass' Project Financing Update - Paul E. Dumars, Sr., Chief Financial Officer, Executive Office

Paul Dumars, Chief Financial Officer, presented the latest proposed framework and timetable associated with the River of Grass Project. He also provided a general financial market update and reviewed current and projected debt service requirements. He also provided an update on the financing for the River of Grass land acquisition.

7. Alternative Financing Tools - Paul E. Dumars, Sr., Chief Financial Officer, Executive Office, and David Moore, Managing Director, Public Financial Management

David Moore, Managing Director, Public Financial Manager, reported on and reviewed alternative project financing methods and discussed various debt structuring options for the project.

8. Public Comment

There was no public comment.

9. Adjourn

Chair Dauray adjourned the meeting at 11:01 am.

Charles Dauray
Chairman
Audit and Finance Committee

Recorded By:

Cathy Widness
Administrative Assistant Senior
Governing Board and Executive Services
SFWMD